

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

FILE: B-214889

DATE: July 3, 1984

MATTER OF: Marvin Engineering Co., Inc.

DIGEST:

1. In negotiated procurements, since the agency's technical evaluation is based upon information submitted with the proposal, the burden is clearly on the offeror to submit an adequately written proposal.
2. The contracting agency has no obligation to conduct discussions with an offeror whose technical proposal is so deficient due to the omission of material information that it is initially excluded from the competitive range.
3. Price need not be considered before a proposal is rejected due to the omission of material technical information.

Marvin Engineering Co., Inc. protests the rejection of its proposal as technically unacceptable and the subsequent award of a contract to Defense Research, Inc. under request for proposals (RFP) No. N00019-83-R-0062, issued by the Department of the Navy. The solicitation was issued as a total small business set-aside for the acquisition of wing assemblies for the Sidewinder air-to-air missile. Marvin complains that the Navy never conducted any discussions with the firm with a view to making its proposal acceptable, and also that the Navy failed to consider the fact that Marvin's offered price was much lower than that of the other offerors. We deny the protest.

Background

The Navy has indicated that because the wing assemblies are of special honeycomb construction in order to reduce weight, and because unique thermal coatings are applied to enhance their operating characteristics, sophisticated manufacturing techniques are

necessary during production. Therefore, the RFP was very specific in setting forth the technical information required from offerors in their proposals.

For example, section L-26 informed offerors that proposals were to clearly state the manner in which the wing assemblies would be produced, in sufficient detail for the agency to make a thorough technical evaluation. Offerors were cautioned that statements to the effect that the offeror understands the specifications and is capable of meeting them, without detailed supporting information as to how this will be accomplished, and statements merely paraphrasing the specifications or the statement of work, would be considered inadequate.

Section L-27 specified that the following areas of information were required to be addressed by each offeror in its proposal in order to demonstrate technical capability¹ (listed in descending order of importance):

- A. Fabrication, Assembly and Test
- B. Manufacturing Management
- C. Quality/Configuration Management
- D. Experience

In the Fabrication, Assembly and Test category, offerors were required to discuss such matters as the tools and processes to be used in the production of each subassembly, its inspection and testing procedures, and its manufacturing flow plan. In the Manufacturing Management category, the offeror was required to furnish a make or buy plan, an overall manufacturing schedule, and a description of the planned distribution of physical plant area among general categories of manufacturing disciplines. The Quality/Configuration Management category required, in part, a description of the offeror's ability to perform failure analyses. In the

¹The evaluation criteria set forth in the RFP indicate that technical considerations would be significantly more important than price.

Experience category, the offeror was required to document its previous application of the manufacturing techniques and test methods it intended to use in producing the wing assemblies.

Section L-27 advised offerors that the government may award a contract based upon initial offers received, without discussions. Accordingly, offerors were told to submit their initial proposals on the most favorable terms to the government from a price and technical standpoint.

Five proposals were submitted in response to the RFP, receiving the following final weighted technical scores at the completion of the evaluation process:

Defense Research, Inc.	67.1
UICC	51.7
King	50.7
Marvin Engineering	25.7
Cliffdale	23.0

Because of their low scores, the proposals of Marvin and Cliffdale were deemed to be unacceptable and were excluded from the competitive range. The evaluators concluded that Marvin's proposal was in large measure superficial and did not demonstrate a technical understanding of the work, generally lacking detailed responses to the RFP requirements. Major deficiencies noted were that the manufacturing methodology did not respond to the requirement that the offeror furnish information as to the tools and processes to be utilized in producing the various wing subassemblies. The evaluators believed that Marvin's proposal failed to address the requirements for inspection and testing, failed to submit a manufacturing flow plan, a make or buy list, and an overall manufacturing schedule, and provided little discussion of the firm's physical plant. The evaluators also concluded that the proposal did not respond to the requirements of the Quality/Configuration Management category, and that the firm's prior contractual experience was not related to the manufacturing techniques needed in producing the Sidewinder wing assemblies.

Because the Navy determined that the three remaining proposals in the competitive range were all generally conforming to the RFP requirements, the agency decided that the awardee could be selected without discussions² on the basis of the technical scores and offered price. Since Defense Research had the highest technical score and also offered the lowest price (\$358,474 versus \$490,278 for UICC and \$498,000 for King), the Navy awarded it the contract.

Marvin complains that although its proposal might have been deficient in certain areas because specific technical information was lacking, the agency should have conducted discussions with the firm so that it could have supplied the information necessary to make its proposal acceptable. Additionally, Marvin points out that its offered price was only \$96,285, and argues that the Navy should have taken this fact into account before excluding its proposal from further consideration. We find no merit in the protest.

In reviewing protests concerning proposals which have been rejected due to information deficiencies, this Office looks at the extent to which the solicitation called for detailed information. We also consider whether the omissions show that the offeror did not understand what it would be required to do under the contract, and whether the proposal as submitted was either inferior but susceptible of being made acceptable or so deficient that an entirely new proposal would be needed. Finally, we look at the number of other offerors in the competitive range and at the potential cost savings offered by the rejected proposal. Electro-space Systems, Inc., 58 Comp. Gen. 415 (1979), 79-1 CPD ¶ 264; Informatics, Inc., B-194926, July 2, 1980, 80-2 CPD ¶ 8.

²Award without discussions is not objectionable where it can be clearly shown from the existence of adequate competition that acceptance of the most favorable initial proposal will result in a contract at a fair and reasonable price, provided the solicitation so advises. Blurton, Banks & Associates, Inc., B-211702, Oct. 12, 1983, 83-2 CPD ¶ 454; see also Defense Acquisition Regulation, § 3-807.7(a)(1), reprinted in 32 C.F.R. pts. 1-39 (1983).

Here, as we have already indicated, the RFP called for specific, detailed information in four major areas relating to the offeror's technical capability. After an analysis of Marvin's proposal, we see nothing unreasonable in the Navy's determination to exclude it from further consideration. For example, in the Fabrication, Assembly and Test category, Marvin's proposal generally addressed the machining approaches to be utilized in producing the various wing subassemblies. However, the proposal did not specifically enumerate the tools to be used in assembling the damper, bellows, and roller on case assemblies, as called for in the RFP. Likewise, the proposal only indicated the name and address of the subcontractor who would apply the epoxy-polyamide coating to the wing assembly, but did not detail the actual application procedure that would be performed. Further, the proposal failed to address this informational category's requirements for passivation certification, material composition certification, heat treatment certification, an inspection plan for hardware/ raw material and in-process assemblies, and the verification of molds, dies, and gauges (identification of critical items and testing method and frequency).

As another example of material omissions from its proposal, under the Quality/Configuration Management category which called for quality assurance plans controlling the quality aspects of the production process from incoming inspection through final acceptance, Marvin in part merely made the blanket statement that such a plan "will be prepared to satisfy the specific needs of your program."

We need not closely examine all other informational deficiencies for purposes of this decision. While certain individual deficiencies might have been susceptible to correction as a result of discussions, an overall view of Marvin's proposal demonstrates that the firm either did not understand, or did not make the effort to adequately address, the solicitation's requirements, and therefore it is apparent that a virtually new proposal would have been necessary. Informatics, Inc., supra.


Since an agency's technical evaluation is dependent upon the information furnished in the proposals, the burden is clearly upon the offeror to submit an initial proposal that is adequately written. Servrite International, Ltd., B-187197, Oct. 8, 1976, 76-2 CPD ¶ 325.

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Although a basic goal of negotiations is to point out deficiencies so that offerors in the competitive range may revise their proposals, there is no obligation on the agency's part to conduct discussions with an offeror whose initial proposal is so deficient that it is excluded from the competitive range. Informatics, Inc., supra. Generally, proposals that are to be considered within the competitive range are those which are technically acceptable or reasonably susceptible of being made acceptable through discussions--that is, proposals which have a reasonable chance of being selected for award.³ D-K Associates, Inc., B-213417, April 9, 1984, 84-1 CPD ¶ 396. Here, because of its many material informational deficiencies, Marvin's proposal had no chance of being selected. We thus find nothing improper in its exclusion from further consideration without discussions.

Marvin also complains that the Navy failed to consider the fact that its offered price was much lower than that of any other offeror before rejecting its proposal. The firm's position is without merit. The purpose in having price as an evaluation factor in a negotiated procurement is to insure that the prices proposed by qualified offerors who submit acceptable proposals will be taken into account prior to the making of awards to higher priced offerors on the basis of technical superiority considerations alone. That purpose does not extend to considering the offered prices of firms whose proposals are wholly unacceptable. 53 Comp. Gen. 1 (1973).

The protest is denied.


 Comptroller General
 of the United States

³Even a proposal which is technically acceptable or susceptible of being made acceptable may be excluded from the competitive range if, relative to all proposals received, it does not stand a real chance for award. Hittman Associates, Inc., 60 Comp. Gen. 120 (1980), 80-2 CPD ¶ 437.